

names from the remaining names, and that cleaned list became the Company's "outreach" list. That outreach list was used in a computer matching program to identify as many matches with the Company's customer files as possible, based on detailed protocols that apply to Social Security Numbers, case identification numbers, names, addresses and zip codes. The names identified as Company customers were transmitted on a secure computer file to an independent mailing house that in turn mailed a personalized "match" letter to each "matched" name. That letter congratulated the recipient for being entitled to the discount Lifeline rate, and advised the recipient that his/her rates would be reduced in thirty days unless an opt out call was made to a specified 800 number. The 800 number was maintained by the mailing house company, and that organization blocked the names of those who opted out before sending the tape to NYNEX. The outreach list names not identified as customers were sent on a separate secure computer file to the independent mailing house that in turn mailed a personalized "send-back" letter to each "non-matched" name. That letter told each recipient that they were eligible for Lifeline, the minimal benefits of participation, and that all they needed to do was to complete and mail an attached (by perforation at the bottom of the letter), form directly to the Company and their account would then be converted to the discount Lifeline rate; or if they didn't have telephone service, that the Company would contact them to establish service for the \$10 connection charge. The mailing house pre-printed identifying data on the form to keep it very simple, and included a postage-paid envelope. Those who do not reply to the "send-back" letter receive a second-chance follow-up letter ninety days later.¹⁴ Every six months after the initial outreach effort described above, the process is repeated in some fashion for categorically eligible households not yet enrolled in Lifeline.

2) In a competitive local exchange provider environment the NYNEX Lifeline outreach model would be adopted and modified as follows:

Once a month DSS and CDA would send their lists of categorically eligible program recipients to the data base administrator. The data base administrator would combine provider supplied customer data¹⁵ into a single computer file.¹⁶ The data base

¹⁴ Copies of the letters are available from PULP or DPS Staff working on this topic.

¹⁵ Minimally, names, addresses, zip codes, Lifeline status, and when available, Social Security Numbers and public assistance case identification numbers.

¹⁶ A possible alternative to this approach would be for the data base administrator to prepare and provide to each local exchange service provider a limited-access combined computer file of cleaned DSS and CDA data, together with a computer matching program. The data file would be non-addressable, *except* it would allow the provider who received it to mark the file with an indicator of persons identified in its

administrator would use tape-to-tape computer utility-programs to edit out of the DSS and CDA files households outside the combined service territories (if any), duplicates, those coded as "undomiciled" or "homeless," addresses that include "home" or "hospital," and those who are already on the Lifeline rate of any provider. In an initial run the data base administrator would randomly select a predetermined number of the remaining names,¹⁷ and that cleaned list would become the "outreach" list.

That outreach list would then be used in a computer matching program to identify as many matches with the combined provider supplied customer files as possible, based on detailed protocols that apply to Social Security Numbers, case identification numbers, names, addresses and zip codes. The names identified as Company customers would then be transmitted on a secure computer file to an independent mailing house¹⁸ that in turn would mail a personalized third-party¹⁹ "match" letter to each "matched" name. That letter would congratulate the recipient for being entitled to the discount Lifeline rate, and advise the recipient that his/her's named current local exchange provider rates would be reduced in thirty days unless an opt out call is made to a specified 800 number. The 800 number would be maintained by the mailing house company, and that organization would remove the data corresponding to mail returned as undeliverable and block the names of those who opted out within thirty-five days of the mailing, before returning the tape to the data base administrator. The data base administrator would then forward the names and identifying information of the remaining customers to the customer's local exchange provider, and each provider would enroll those customers in its Lifeline program within thirty days.

The outreach list names not identified as customers of any provider would be sent on a separate secure data computer tape to the independent mailing house that in turn

customer records as Lifeline customers and as non-Lifeline customers. That file would then be returned to the data base administrator.

¹⁷ While PULP is not presently able to suggest a firm number, it suggests that the 750,000 number used by NYNEX in its first list exchange outreach mailing appears to be a reasonable number for the first competitive model Lifeline outreach effort.

¹⁸ Conceptually, there is no reason that the data base administrator could not undertake this function internally. However, use of a professional mailing house is likely to be more efficient and cost effective.

¹⁹ PULP could continue to be that third-party. All letters would be subject to approval by DSS and the data base administrator.

would mail a personalized third-party²⁰ "send-back" letter to each "non-matched" name.²¹ That letter would advise each recipient of their eligibility for Lifeline, specify the minimal benefits, and indicate that all they need to do to obtain Lifeline service is to complete and mail an attached (by perforation at the bottom of the letter), form in an enclosed postage-paid envelope. The letter would list all local exchange providers that offer service in the geographic area, but the letter would follow two tracks – one for those who already have telephone service and another for those without telephone service. The track for those without telephone service would encourage them to check-off on the attached form an available provider and advise them that the selected provider would contact them within thirty days to establish service for a connection charge of no more than \$10.²² The track for those with telephone service would indicate that within thirty days of returning the attached form, their account would be converted by their current local exchange provider to the discount Lifeline rate.²³ The data base administrator would forward the returns to the appropriate providers, and each provider would contact potential new customers to arrange Lifeline service within thirty days; and process changes of account names and changes of service classifications, as may be appropriate, within thirty days.

Those who do not reply to the "send-back" letter and whose original letters were not returned as undeliverable, would receive a second-chance follow-up letter ninety days later. Every six months after the initial outreach effort described above, the process would be repeated in some fashion for categorically eligible households not yet enrolled in Lifeline.

3) The modified NYNEX Lifeline outreach model described above eliminates the need for Lifeline quotas and Commission imposed outreach programs. Under the model proposed here, local exchange service providers would retain flexibility to exceed the standard lifeline program and could choose to further enhance and promote Lifeline as they see fit.

²⁰ PULP could continue to be that third-party. All letters would be subject to approval by DSS and the data base administrator.

²¹ As part of the personalization, the form attached to each letter would include pre-printed identifying data to simplify completion and assure accuracy on the returns.

²² While it is premature to suggest details of a proposed letter, there would probably be a need to indicate which providers offer measured service, flat rate service or both, and the monthly Flat Rate Lifeline charge that applies at the customer's address.

²³ A sentence could be added indicating how they could obtain Lifeline service if they chose to change from their current to a different local exchange provider.

B) A Common Lifeline Data Base Should be Used for Revalidation.

1) The current NYNEX Lifeline revalidation procedures work basically as follows:

The current NYNEX Lifeline list-exchange system also sets up a process for revalidation. Its effect is to convert categorically eligible Lifeline customers to the standard residential rate about six months after they no longer receive benefits from at least one of the categorical programs. The protocols in the agreement between NYNEX, DSS and CDA require NYNEX to compare its existing Lifeline account records with monthly data provided by DSS and CDA for four consecutive months. If there is no "match" during that process, NYNEX notifies the customer of its intent to discontinue the Lifeline rate unless the customer submits information showing current eligibility. A second reminder notice is also required. If the customer does not furnish the needed information, service is converted to standard service sixty days after the initial customer notice.

2) In a competitive local exchange provider environment the NYNEX Lifeline revalidation procedures would be adopted and modified as follows:

The data base administrator would compare end-of-month Lifeline account records for all local exchange service providers with monthly data provided by DSS and CDA for four consecutive months. If there is no "match" during that process, the data base administrator would notify the appropriate provider who in turn would notify the customer of its intent to discontinue the Lifeline rate unless the customer submits information showing current eligibility. Each provider would monitor responses and send a second reminder notice if no response to the first notice is received. If the customer does not furnish the needed information, each provider would convert the customer's service classification to standard residential service sixty days after the initial customer notice. The effect of this process would be to convert categorically eligible Lifeline customers to the standard residential rate about six months after they no longer receive benefits from at least one of the categorical programs.

6. Additional Questions and Ideas.

Question – Can a limited purpose on line computer link be established to verify the Lifeline eligibility of a new local exchange provider customer who calls a local exchange service provider to obtain service?

Answer – If access to the information provided by DSS and CDA to the data base administrator can be achieved by entering a name and case identification

number, such a system might be possible. Prerequisites would include limited access to the on line link, and consent from DSS and CDA. The case identification number is a unique indicator that is generally only available from a person receiving benefits from one of the programs that qualify as categorical eligibility programs for Lifeline.

Question – Once number portability becomes pervasive might it be possible for local exchange service providers to access the Lifeline data base on line to test the eligibility for Lifeline of new accounts?

Answer – Assuming that appropriate safeguards to the Lifeline data base can be devised, and that DSS and CDA do not object, and that privacy concerns do not preclude placing those numbers in a data base, then on line access for both enrollment and revalidation would be possible.

Respectfully submitted,

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